



**Director of
Central
Intelligence**

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OCPAS/CIG

CY# 285

National Intelligence Daily

*Tuesday
29 November 1983*

~~Top Secret~~

CPAS NID 83-278JX

29 November 1983

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BANGLADESH: Reaction to Antigovernment Protests

Chief Martial Law Administrator Ershad intends to reimpose strict military rule, and he is claiming Soviet collusion in the large-scale rioting yesterday. [redacted]

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Two political party alliances yesterday marshalled thousands of demonstrators in Dhaka to protest the continuation of military rule. Police reportedly killed six persons during action to halt violence at the regime's administrative headquarters. [redacted]

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To avert more unrest, Ershad has banned political activity, imposed a strict 21-hour curfew, placed Army troops on continual alert, and arrested key opposition leaders. [redacted]

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Moderates played a major role in the disturbances yesterday, but security officials reportedly claim the Soviets have increased their funding of leftists in recent months and suspect Soviet and Indian involvement in the disturbances. [redacted]

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Comment: The hardline generals in the military regime recently have questioned Ershad's accelerated efforts to relax martial law and restore civilian rule next year. The imposition of stricter controls should strengthen Ershad's support in the military. Ershad, who hopes to be elected president and who wants to develop a civilian constituency, may have to postpone the schedule for presidential and parliamentary elections that he announced last month. [redacted]

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FRANCE: External Debt Growing

The rapid growth this year of France's external debt will cause economic difficulties and political problems for the government.

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Medium- and long-term external debt has risen by more than 18 percent in the first nine months of 1983 to about \$52 billion, according to the French press. If short-term external debt is included, the total figure is substantially higher.

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Comment: The austerity program begun earlier this year has slowed the growth of the external debt. France will have to sustain that effort for the next two years, however, to meet interest payments and to prevent the debt from growing further.

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The growth of the debt—which will continue to constrain economic policy over the next two years—is embarrassing to the Socialists and makes them vulnerable to charges of mismanagement. The necessary slow economic growth will add to the frustrations of leftwing supporters of the government who want faster growth. French officials will take every opportunity in the coming months to fault high US interest rates and the strong dollar, which raise France's import costs and the franc value of its dollar debt.

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PALESTINIANS: Arafat's Optimism

Sources of the US Embassy in Beirut say PLO chairman Arafat's confidence has been strengthened following the prisoner exchange with Israel last week. Members of the committee trying to carry out provisions of the recent cease-fire are worried about Arafat's assertion that he has the overwhelming support of Palestinians and does not have to make concessions to the PLO rebels or to Syria. He says he has no intention of meeting with the rebels or of leaving Tripoli. [REDACTED]

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Comment: The display of confidence is typical of Arafat, and it probably is intended to improve his bargaining position as talks on carrying out the cease-fire plan are set to begin in Damascus. At the same time, Arafat is likely to be aware that he is highly vulnerable to renewed Syrian and rebel attacks if a peaceful solution to the internal Palestinian problem is not achieved soon. [REDACTED]

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IRAN: Trials of Tudeh Members

Trials of detained members of the pro-Soviet Tudeh Party will begin on 6 December, according to the Iranian news agency. More than 1,500 party members, including most of the top leaders, have been arrested since the crackdown began in February. Party leaders in custody have been displayed on Iranian television several times recanting their crimes. Some have confessed to subverting the regime at the behest of the USSR. [REDACTED]

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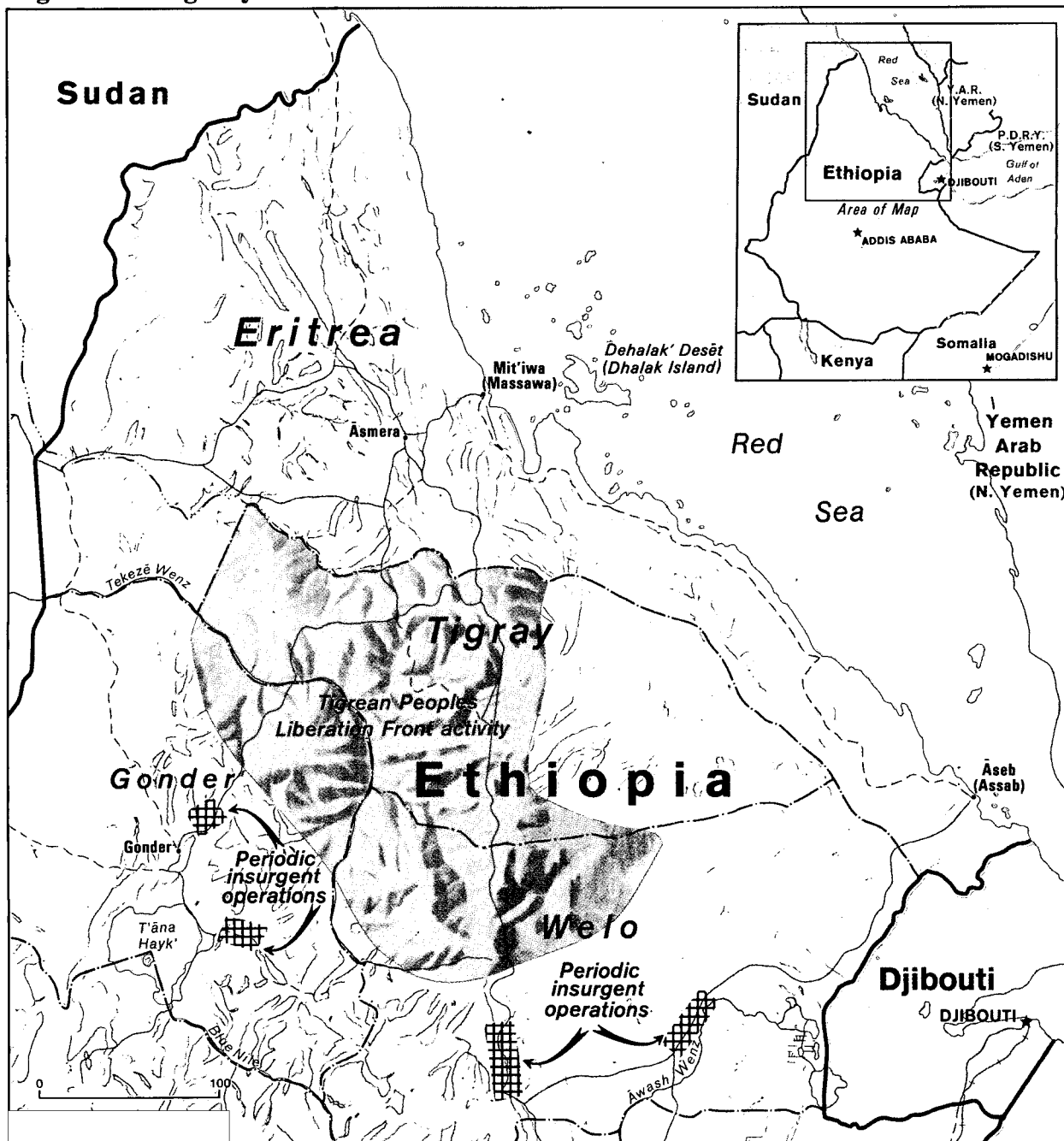
Comment: The trials probably have been delayed by infighting between clerics who want to avoid further antagonizing Moscow and those who want retribution no matter what the cost in bilateral relations. Public trials, especially if they include Tudeh's top leaders, would bring ties with the USSR to their lowest point since the revolution. On Sunday Moscow again accused Tehran of using torture to extract confessions from Tudeh leaders and hinted that the USSR's economic relations with Iran would be affected. [REDACTED]

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Tigrean Insurgency

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ETHIOPIA: Military Reverses in the North

Government forces have suffered several military setbacks in recent weeks in Gonder Province at the hands of the Tigrean People's Liberation Front. The insurgents have conducted hit-and-run raids near the provincial capital and have interrupted traffic on the main highways. Senior military officials in Gonder are concerned about the threat, and Addis Ababa has sent troops and aircraft to the area from Tigray Province. []

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Comment: The Tigrean People's Liberation Front—which operates primarily in Tigray Province—has become increasingly successful in conducting limited operations in areas where it does not have an ethnic base of support. Nevertheless, the Front still lacks the capability to capture major garrisons or to hold urban areas against government counterattacks. Its operations in neighboring regions, however, are hampering the government's military campaigns in Tigray and Eritrea Provinces by diverting scarce resources and undermining military morale. In the past year government forces in the two provinces have suffered some 35,000 casualties. []

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WEST GERMANY: Candidate for President

Chancellor Kohl has announced that West Berlin Mayor von Weizsaecker will be the Christian Democratic candidate for the country's presidency. The Federal Convention will convene in May to elect a successor to President Carstens, who declined to run for another term. []

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Comment: Von Weizsaecker's election is assured because the Christian Democrats hold a solid majority in the Convention—composed of Bundestag deputies and representatives from the states—and the Social Democrats have indicated that they will support his candidacy. The Mayor had expressed his desire some time ago to hold the largely ceremonial post, but Kohl hesitated to bring him to Bonn, fearing the party would suffer in the election in West Berlin in 1985. As president, the highly regarded politician may detract from the stature of the Chancellor, but the government as a whole is likely to benefit from von Weizsaecker's association with it. []

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Special Analysis

LEBANON-US: President Gemayel's Visit

President Gemayel's primary goal during his visit this week to the US probably will be to persuade Washington to convince Tel Aviv to accept some modifications in the Lebanese-Israeli agreement of last May. Gemayel will argue that the national reconciliation process will collapse unless Syria's objections to the agreement are addressed. If changes are not made, Gemayel presumably will then insist that it is up to the US to put diplomatic and military pressure on Damascus to force it to modify its demands. He will argue that Lebanon's problems can be resolved only if the US breaks the current stalemate.

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Since the suspension of the national reconciliation conference on 4 November, the Lebanese Government has been working to improve its relations with Syria. President Assad's illness has prevented direct meetings between the two heads of state, but both Gemayel and Foreign Minister Salem have met with Syrian Foreign Minister Khaddam.

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Salem traveled to Damascus last weekend, and the Lebanese and Syrian press have reported that his meetings with Khaddam went well. According to Beirut's government-controlled radio, Khaddam indicated that Syria was prepared to accept modifications in the Lebanese-Israeli withdrawal agreement instead of outright abrogation.

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Gemayel probably will argue that his efforts to improve relations with Damascus will be wasted unless the US forces Israel to agree to modifications in the withdrawal agreement. He may even suggest that, if US diplomatic efforts are unproductive, his government will seek to involve the USSR in negotiations by bringing the Lebanon question before the UN Security Council.

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If Israel will not accept any changes, Gemayel will maintain that only increased US and Israeli pressure on Syria will prevent Damascus from continuing to work for the overthrow of his government. Gemayel and his advisers are likely to believe, however, that Syria will respond to additional diplomatic and military pressure by urging its Lebanese allies to renew attacks against the Lebanese Army. The Lebanese will want assurances of increased US support in the event the cease-fire breaks down.

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Domestic Situation

Gemayel probably will seek to deflect recommendations that he initiate political reforms by continuing to argue that Lebanon's factional problems are largely the result of foreign intervention. He will point to the results of the reconciliation conference—specifically the reforms agreed to by the working committee on political issues—as evidence that the Lebanese can work out their internal problems. []

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The Lebanese President almost certainly is misreading, however, the degree of national consensus on political matters. The working committee, for example, was unable to agree on the status of the Army and the powers of the Christian president. Shia leader Nabih Barri, moreover, did not have a representative on the working committee, which he dismissed as Gemayel's idea. []

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Gemayel may try to play down the political influence of Christian hardliners. The fighting in the Shuf region has left the Christian Lebanese Forces militia demoralized and in a poor financial position, and the President may believe the Christian militia commanders have lost much of their popular support. []

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The Lebanese leader probably would be premature in announcing the demise of the Christian right. When they returned from Geneva, Christian politicians, including the President's father, Pierre Gemayel, criticized the conference's decision to define Lebanon as an Arab state. Christian hardliners continue to insist that only limited political reforms are necessary in Lebanon. []

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In addition, the leadership of the Lebanese Forces, with Israeli encouragement, apparently has decided against dissolving the organization. []

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Outlook

Gemayel realizes that, if he is to remain in office, he has to balance Muslim and Druze demands for change against the Christian community's desire to retain political and economic dominance. He also believes that his government needs continued US support to counteract Syrian support for the Muslim and Druze opposition and continued unofficial Israeli backing for the Christian right. []

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Much of the momentum created by the national reconciliation conference has dissipated, and the conference probably will not reconvene unless Gemayel can point to some progress on the question of Israeli withdrawal. The cease-fire is spotty, and Muslim and Druze militias continue to engage in sporadic battles with the Army and the Lebanese Forces on several fronts. Gemayel, however, does not have the political or military strength to break the stalemate, and he will look to the US for a way out of the impasse.

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Special Analysis

USSR-SYRIA: Moscow's Stake in the Relationship

The USSR's response to recent tensions in Lebanon and Foreign Minister Gromyko's talks with Syrian Foreign Minister Khaddam in mid-November have highlighted both the increased importance of Syria to the Soviets and the challenge they face in dealing with such an independent ally. Moscow's expanded military backing of Damascus since the war in Lebanon last year has paid dividends from the Soviet viewpoint because it has buttressed Syria's opposition to US-sponsored peace plans for Lebanon and the Arab-Israeli dispute. The Soviets, however, are dismayed by Syria's drive to oust PLO leader Arafat, worried about President Assad's reliability as an ally, and afraid of being drawn into a conflict in the region. Despite these misgivings, the USSR almost certainly will continue to see support for Syria as the best way to check US influence in the Middle East and to obtain a role in an Arab-Israeli peace settlement.

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The Soviets are determined to protect their investment in Syria, but they still refuse to make any open-ended defense commitments. Gromyko's talks with Khaddam illustrate the Soviets' ambivalence. The Soviets publicly underscored their support for Syria, and Gromyko repeated the earlier Soviet warning to the US against military action in Lebanon.

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Moscow failed, on the other hand, to commit itself publicly to any response if Israel or the US were to initiate hostilities against Syrian forces in Lebanon. Public Soviet accounts of the talks provided new evidence, moreover, of the frictions between Moscow and Damascus over Syria's backing for the PLO rebels' offensive against Arafat's forces.

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Military Support

Moscow's commitment to strengthen Syria's defenses has been evident in the continuing delivery of some of its most advanced military equipment. This includes SS-21 surface-to-surface missiles and Tin Shield radars—the first time they have been exported outside the Warsaw Pact.

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Israeli officials are claiming that the Soviets soon will turn over control of the SA-5 surface-to-air missiles to the Syrians. There are no firm indications that a transfer of the SA-5s is imminent, however, and the arrival of other advanced equipment suggests that the Soviets will continue to participate in Syria's air defenses. Even if the Israeli

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claims were true, the process probably would be drawn out over a number of months and leave a substantial Soviet advisory presence at the SA-5 complexes and within the command and control apparatus of the Syrian air defense network. []

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Support in Lebanon

The Soviets have made known to Damascus that they are not obligated to protect the Syrian presence in Lebanon, and they continue to have reservations about Syria's predominance there. Nevertheless, the USSR's position has shifted markedly from its initial opposition to Syrian intervention in 1976. []

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Moscow—as an authoritative editorial in *Pravda* stated on 20 November—now sees the Syrian presence in Lebanon as the major obstacle to expanded Israeli and US influence in the region. [] a senior Soviet Foreign Ministry official said late last month that the USSR regards continued Syrian occupation as essential to guarantee the military and political balance in the area. The Soviets support Syria's demand for a cancellation of the Lebanese-Israeli accord and its insistence that a withdrawal of Israeli and Western peacekeeping troops precede any drawdown of Syrian forces. []

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The stronger support for the Syrian position in Lebanon is partly the result of Moscow's need to repair the damage done to its relationship with Damascus by the Israeli invasion of Lebanon in June 1982. As important in Soviet decisionmaking, however, is the introduction of US forces into Lebanon. The Soviets consider the US presence, which they claim is a bridgehead for future military intervention, to be a serious threat to their objectives in the Middle East. []

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On the other hand, the Soviets also see the US presence as a reason to act cautiously regarding Lebanon. They want to avoid being drawn into a confrontation in a region where the US and Israel enjoy a clear military advantage. []

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Reservations About Assad

Behind the USSR's increased military presence and its show of support for Syria lies a continuing concern about some of Assad's policies and doubts about his reliability as an ally. Soviet officials have claimed that Moscow has little influence on, or even knowledge of, Assad's strategy toward Lebanon. Although such claims are intended to absolve Moscow of responsibility for Syrian action, they probably reflect some genuine Soviet frustrations. []

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Moscow also is suspicious that, despite the current tensions between Damascus and Washington, Assad may yet strike a deal with the US. Such apprehensions were visible in Soviet media commentary on Assad's discussions this summer with Secretary of State Shultz and then Special Envoy McFarlane. Last month a Soviet diplomat in Beirut told a UN official that the Syrians are developing "highly pragmatic" relations with the US and are telling Moscow "lies" about their contacts with Washington. []

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The USSR's inability to persuade the Syrians to halt their campaign against Arafat is the most telling indication of the limits on its influence with Assad. How strongly Gromyko did in fact press the point with Khaddam is unclear, but it did not stop the Syrian-backed PLO rebels from launching an offensive against Arafat's headquarters outside Tripoli a few days after Khaddam's return to Damascus. Moscow's public emphasis on Arab unity suggests it fears that the Syrians, by trying to defeat Arafat, are isolating themselves from the rest of the Arab world. []

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Outlook

The USSR's backing of the Syrians has not given it a voice equal to that of the US in the Middle East. From the perspective of the damage the Soviets' position suffered in the summer of 1982, however, Moscow presumably considers its policy a success. It has at least helped impede US diplomacy in the region. []

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Despite misgivings about Assad's policies, the USSR's policy in the Middle East will continue to center on support for Syria. Moscow recognizes that no alternative offers much prospect for achieving Soviet goals in the region. []

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The Soviets are likely to continue backing a firm Syrian position on Lebanon, but they will caution Damascus against policies that might needlessly provoke Israel or the US. They will continue to avoid giving Syria any assurances that they can be counted on to bail it out militarily if its policies cause a major conflict. []

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